

**DOCKETED**

JUL 25 2000

**BEFORE THE ARIZONA POWER PLANT AND
TRANSMISSION LINE SITING COMMITTEE**

DOCKETED BY

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CASE NO. 98

DOCKET NO. L-00000P-99-0098

DECISION NO. 62740

IN THE MATTER OF THE APPLICATION)
OF DUKE ENERGY MARICOPA, LLC IN)
CONFORMANCE WITH THE)
REQUIREMENTS OF ARIZONA REVISED)
STATUTES 40-360.01 ET SEQ., FOR A)
CERTIFICATE OF ENVIRONMENTAL)
COMPATIBILITY AUTHORIZING)
CONSTRUCTION OF NATURAL GAS)
FIRED, COMBINED CYCLE GENERATING)
FACILITIES AND ASSOCIATED)
TRANSMISSION LINE NEAR ARLINGTON)
IN MARICOPA COUNTY, ARIZONA.)

CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (the "Committee"), held public hearings at the Arizona Corporation Commission, 1200 W. Washington, Phoenix, Arizona, on March 9, 2000, and May 5, 2000, in conformance with the requirements of Arizona Revised Statutes section 40-360, *et seq.*, for the purpose of receiving evidence and deliberating on the Application of Duke Energy Maricopa LLC ("Duke") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case.

The following members or designees of members of the Committee were present for the hearing on the Application:

Charles S. Pierson ¹	Chairman, Designee for Arizona Attorney General Janet Napolitano
Steve Olea	Designee for the Chairman of the Arizona Corporation Commission
Richard Tobin	Deputy Director, Arizona Department of Environmental Quality
Dennis Sundie	Designee for the Director of the Department of Water Resources
Mark McWhirter	Designee for the Director of the Energy Office of the Arizona Department of Commerce
Robert Berger	Appointed Member
Jeff McGuire	Appointed Member
Wayne Smith	Appointed Member

¹Mr. Pierson, who did not vote on this application, retired before this Certificate of Environmental Compatibility was prepared. Accordingly, it was signed by the undersigned as successor chairman.

1 The Applicant was represented by Thomas H. Campbell and Michael Denby of Lewis and
 2 Roca LLP. Staff of the Arizona Corporation Commission ("Staff") noticed their intervention as a
 3 party, and were represented by Teena Wolfe. Arizona Center for Law in the Public Interest ("the
 4 Center") noticed its intervention. There were no other interventions or limited appearances.

5 At the conclusion of the hearing and deliberations, the Committee, having received and
 6 considered the Application, the appearance of Applicant and the Staff, the evidence, testimony and
 7 exhibits presented by Applicant and the Staff, and being advised of the legal requirements of Arizona
 8 Revised Statutes Sections 40-360 to 40-360.13, upon motion duly made and seconded, voted to grant
 9 Applicant the following Certificate of Environmental Compatibility (Case No. 98):

10 Duke Energy Maricopa LLC and its assignee(s), are granted a Certificate of Environmental
 11 Compatibility authorizing construction of a 580 megawatt (nominal) natural gas-fired, combined
 12 cycle generating facility, together with related infrastructure and appurtenances, which generating
 13 unit shall be located in Maricopa County, Arizona, approximately 0.7 miles southwest of the
 14 intersection of Elliot Road and Wintersburg Road, and an approximately 2.4 mile 500 kv
 transmission line connecting the generating facility with the Palo Verde South switchyard.

15 This Certificate is granted upon the following conditions:

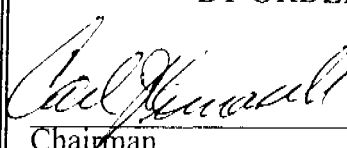
- 16 1. The Applicant and its assignees will comply with all existing applicable air and water
 17 pollution control standards and regulations, and with all existing applicable
 18 ordinances, master plans and regulations of the State of Arizona, the County of
 19 Maricopa, the United States, and any other governmental entities having jurisdiction.
- 20 2. This authorization to construct the Project will expire five years from the date the
 21 Certificate is approved by the Arizona Corporation Commission unless construction
 22 is completed to the point that the plant is capable of operating at its rated capacity by
 23 that time; provided, however, that prior to such expiration the Project owner may
 24 request that the Arizona Corporation Commission extend this time limitation.
- 25 3. Applicant's project having two (2) approved transmission lines emanating from its
 26 power plant's transmission switchyard and interconnecting with the existing
 27 transmission system. This plant interconnection must satisfy the single contingency
 28 outage criteria (N-1) without
 reliance on remedial action such a generator unit tripping or load shedding.
4. Applicant providing to the Commission, not more than 12 months prior to the
 commercial operation of the plant, a technical study regarding the sufficiency of
 transmission capacity to the plant. Applicant has satisfied this condition for its 580
 MW facility; provided that applicant meets all construction deadlines and operational
 deadlines as set forth in its application.
5. Applicant submitting to the Commission an interconnection agreement with the
 transmission provider with whom it is interconnecting.

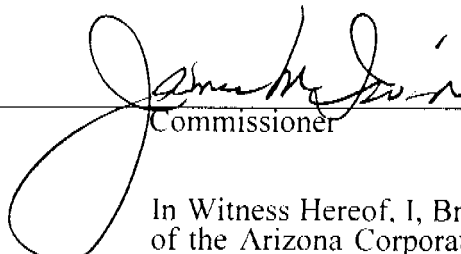
6. Applicant or one of its affiliates becoming a member of WSCC, or its successor, and filing a copy of its WSCC Reliability Criteria Agreement or Reliability Management System (RMS) Generator Agreement with the Commission.
7. Applicant using commercially reasonable efforts to become a member of the Southwest Reserve Sharing Group, or its successor, thereby making its units available for reserve sharing purposes, subject to competitive pricing.
8. Each of the conditions 3-7 above shall automatically terminate if it or a substantially similar condition is not included in future generating facility Certificates of Environmental Compatibility as approved by the Commission or upon any subsequent amendment or invalidation by the Commission or a reviewing court.
9. The Applicant shall operate its evaporation pond so that any salt residue contained therein shall not cause damage to crops grown on fields adjacent to the Project site.
10. Applicant shall operate the Project so that during normal operations the Project shall not exceed (i) HUD or EPA residential noise guidelines or (ii) OSHA worker safety noise standards.
11. Applicant shall use a zero discharge system for its cooling water, subject to existing regulatory requirements.
12. Applicant shall use low profile structures, moderate stacks, neutral colors, compatible landscaping, and low intensity directed lighting for the plant. Applicant shall use non-reflective conductors and towers.
13. Applicant shall implement a Land Management Plan that includes:
 - (i) Installation of a professionally designed landscape plan for the entrance of the facility and along Elliot Road.
 - (ii) A comprehensive revegetation program that will restore a large portion of the property with plant communities similar to the adjacent desert lands.
 - (iii) A partnership with The Arizona Game and Fish Department to provide enhanced wildlife habitat on lands that border Centennial Wash.
 - (iv) An annual report (for six years) submitted to the Arizona Corporation Commission setting forth the status of the Land Management Plan.
14. Applicant shall meet all the requirements for groundwater set forth in the Third Management Plan for the Phoenix Active Management Area.


1 IT IS THEREFORE ORDERED that the Certificate of Environmental Compatibility granted
2 to Duke Energy Maricopa LLC by the Arizona Power Plant and Line Siting Committee on June 16,
3 2000 is hereby approved as modified hereinabove.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5
6 **BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

7 
8 Chairman

9 
Commissioner

10 
Commissioner

11 In Witness Hereof, I, Brian C. McNeil, Executive Secretary
12 of the Arizona Corporation Commission, set my hand and
13 cause the official seal of this Commission to be affixed, this
14 25th day of July, 2000.

15 By 

16 Brian C. McNeil
17 Executive Secretary

18 Dissent: _____
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